



SILVER PREDATOR CORP.

(An Exploration Stage Enterprise)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED NOVEMBER 30, 2012

Notice of Non-review of Condensed Interim Consolidated Financial Statements

The attached condensed interim consolidated financial statements for the three and six month period ended November 30, 2012 have been prepared by and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements.

Silver Predator Corp.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	As at November 30, 2012	As at May 31, 2012
ASSETS		
Current		
Cash and cash equivalents (Note 3)	\$ 1,170,564	\$ 790,661
Prepaid expenses and deposits	34,779	40,029
Receivables (Note 4)	29,091	552,310
Investments (Note 5)	300,000	750,000
Promissory notes (Note 6)	-	100,000
	<u>1,534,434</u>	<u>2,233,000</u>
Reclamation Bond	22,206	22,206
Exploration and evaluation assets (Note 7)	<u>18,354,580</u>	<u>17,824,204</u>
	<u>\$ 19,911,220</u>	<u>\$ 20,079,410</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 8)	\$ 192,698	\$ 207,320
Due to related parties (Note 10)	<u>33,650</u>	<u>142,530</u>
	<u>226,348</u>	<u>349,850</u>
Deferred income tax liability	<u>566,746</u>	<u>622,996</u>
Shareholders' equity		
Share capital (Note 9)	27,568,118	26,518,193
Reserves	2,084,664	1,954,638
Accumulated other comprehensive income	(273,925)	339,611
Deficit	<u>(10,260,731)</u>	<u>(9,705,878)</u>
	<u>19,118,126</u>	<u>19,106,564</u>
	<u>\$ 19,911,220</u>	<u>\$ 20,079,410</u>

Nature of operations and going concern (Note 1)

Subsequent events (Note 13)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Silver Predator Corp.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

(Unaudited)

	Three Months Ended November 31, 2012	Three Months Ended November 31, 2011	Six Months Ended November 31, 2012	Six Months Ended November 31, 2011
EXPENSES				
Consulting and management fees	\$ 38,149	\$ 5,869	\$ 95,501	\$ 37,987
General and administrative	5,082	101,899	82,689	174,787
Filing	1,727	11,364	21,373	61,237
Insurance	5,865	5,288	11,750	12,408
Professional fees	11,752	49,548	72,241	81,082
Salaries and wages	13,672	120,989	79,976	196,132
Share-based compensation (Note 9)	42,569	58,456	129,026	424,724
Travel and promotion	18,950	54,542	60,368	127,694
	(137,766)	(407,955)	(552,924)	(1,116,051)
OTHER ITEMS				
Foreign exchange loss	2,192	144,075	(5,138)	118,967
Interest income	945	10,698	3,209	19,840
	(134,629)	(253,182)	(554,853)	(252,283)
Loss before taxes	(134,629)	(253,182)	(554,853)	(252,283)
Deferred income tax expense	-	(525,483)		(709,999)
Loss for the period	(134,629)	(778,665)	(554,853)	(1,687,243)
	\$ (134,629)	\$ (778,665)	\$ (554,853)	\$ (1,687,243)
Change in cumulative translation adjustment	29,818	(505)	(219,786)	(573)
Unrealized gain (loss) on available-for-sale marketable securities, net of tax	(437,500)	(65,625)	(393,750)	(317,501)
Loss and comprehensive loss for the period	\$ (542,311)	\$ (844,795)	\$ (1,168,389)	\$ (2,005,37)
Basic and diluted loss per common share	(0.00)	(0.03)	\$ (0.03)	\$ (0.06)
Weighted average number of common shares outstanding	45,615,090	30,187,625	43,694,198	29,472,305

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Silver Predator Corp.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

	Six Months Ended November 30, 2012	Six Months Ended November 30, 2011
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the period	\$ (554,853)	\$ (1,687,243)
Items not affecting cash:		
Deferred income tax expense	-	709,999
Amortization	-	-
Share-based compensation	129,026	424,724
Unrealized foreign exchange difference	(218,786)	(573)
	<u>(644,613)</u>	<u>(553,093)</u>
Changes in non-cash working capital items:		
Decrease (increase) in receivables	523,219	(9,622)
Decrease (increase) in prepaid expenses and deposits	5,250	(23,726)
Increase in due to related parties	(108,880)	8,817
Increase (decrease) in accounts payable and accrued liabilities	(14,622)	18,190
	<u>(239,646)</u>	<u>(559,434)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Convertible loan - Nevgold	-	(50,000)
Promissory note payment	100,000	100,000
Exploration and evaluation costs capitalized	(525,126)	(3,430,616)
	<u>(425,126)</u>	<u>(3,380,616)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Private placements	1,054,600	-
Proceeds received from exercise of warrants	-	820,125
Share issuance costs	(9,925)	(525)
	<u>1,044,675</u>	<u>819,600</u>
Change in cash and cash equivalents during the period	379,903	(3,120,450)
Cash and cash equivalents, beginning of period	790,661	6,584,209
Cash and cash equivalents, end of period	\$ 1,170,564	\$ 3,463,759
Cash paid for interest	\$ -	\$ -
Cash received for interest	\$ -	\$ -
Cash paid for taxes	\$ -	\$ -

Supplemental disclosures with respect to cash flows (Note 12)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Silver Predator Corp.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

(Unaudited)

	Share capital		Reserves	Accumulated other comprehensive income (loss)	Deficit	Total
	Number	Amount				
Balance, May 31, 2011	28,542,218	20,693,343	1,412,211	571,262	(4,965,058)	17,711,758
Share issuance costs – cash	-	(525)	-	-	-	(525)
Exercise of warrants	1,640,250	1,056,291	(236,166)	-	-	820,125
Issuance of shares – properties	325,000	251,500	-	-	-	251,500
Stock-based compensation	-	-	424,724	-	-	424,724
Change in value of investments	-	-	-	(317,501)	-	(317,501)
Cumulative translation adjustment	-	-	-	(573)	-	(573)
Net loss for the period	-	-	-	-	(1,687,243)	(1,687,243)
Balance, November 30, 2011	30,507,468	22,000,609	1,600,769	253,188	(6,652,301)	17,202,265
Balance, May 31, 2012	41,791,468	26,518,193	1,954,638	339,611	(9,705,878)	19,106,564
Private placement	5,858,891	1,054,600	-	-	-	1,054,600
Exercise of warrants	-	-	1,000	-	-	1,000
Issuance of shares – properties	25,000	5,250	-	-	-	5,250
Share issuance costs – cash	-	(9,925)	-	-	-	(9,925)
Stock-based compensation	-	-	129,026	-	-	129,026
Change in value of investments	-	-	-	(393,750)	-	(393,750)
Cumulative translation adjustment	-	-	-	(219,786)	-	(219,786)
Net loss for the period	-	-	-	-	(554,853)	(554,853)
Balance, November 30, 2012	47,675,359	27,568,118	2,084,664	(273,925)	(10,260,731)	19,118,126

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Silver Predator Corp. (the "Company") was incorporated under the laws of the Province of British Columbia on May 16, 2006. The Company is in the business of exploring for and developing economically viable silver resource deposits in the United States and Canada.

The Company's head office, principal address and registered and records office is 11521 N. Warren Street, Hayden, Idaho, USA.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, receipt of necessary permits and regulatory approvals, and the ability of the Company to obtain financing to complete project development and future profitable operations or sale of the properties.

The condensed interim consolidated statements of financial position have been prepared assuming the Company will continue on a going-concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. For the six months ended November 30, 2012, the Company reported a loss of \$554,853 and as at that date had a net working capital balance of \$1,308,086 and an accumulated deficit of \$10,260,731.

As an exploration stage Company, the Company does not have traditional sources of revenue, and has relied on share capital financing to cover its operating expenses. Management will need to raise additional financing for the Company to continue as a going concern. There can be no guarantee that the Company will be able to raise additional financing to complete its mineral exploration projects or bring its properties into production. If the going concern assumption were not appropriate for these condensed interim consolidated financial statements it would be necessary to restate the Company's assets and liabilities on a liquidation basis.

2. BASIS OF PRESENTATION

Statement of Compliance

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") including IAS 34 *Interim financial reporting*. The condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended May 31, 2012, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods of application adopted are consistent with those disclosed in Note 3 of the Company's consolidated financial statements for the year ended May 31, 2012.

These consolidated financial statements were approved for issue by the board of directors on January 11, 2013.

Critical accounting estimates and judgments

Areas of critical accounting estimates and judgments that have the most significant effect on the amounts recognized in the financial statements are disclosed in Note 3 of the Company's consolidated financial statements as at and for the year ended May 31, 2012.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	November 30, 2012	May 31, 2012
Cash	\$ 847,564	\$ 440,661
Short term investments	323,000	350,000
	\$ 1,170,564	\$ 790,661

4. RECEIVABLES

Receivables comprise the following:

	November 30, 2012	May 31, 2012
Harmonised Sales Tax recoverable	\$ 5,143	\$ 537,968
Other receivables	23,948	14,342
	<u>\$ 29,091</u>	<u>\$ 552,310</u>

5. INVESTMENTS

The Company holds securities in other companies as follows:

	November 30, 2012	May 31, 2012
Common shares in public companies – fair value	\$ 300,000	\$ 750,000
	<u>\$ 300,000</u>	<u>\$ 750,000</u>

	November 30, 2012	May 31, 2012
Common shares in public companies – cost	\$ 684,988	\$ 684,988
	<u>\$ 684,988</u>	<u>\$ 684,988</u>

Accumulated other comprehensive loss for the six months ended November 30, 2012 includes \$(384,988) (2011 – gain \$251,876) which is a result of the movement in the difference between original cost and fair value, net of tax.

6. PROMISSORY NOTE

On October 20, 2010, the Company sold its subsidiary, 1794298 Ontario Inc., the holding company of Eucan Minas S.A. de C.V. for the sum of \$300,000. \$100,000 was received in cash and the remaining \$200,000 was in the form of a promissory note. The promissory note is non-interest bearing with the first \$100,000 payment due May 31, 2011 and the second \$100,000 payment due May 31, 2012. All payments have now been received.

Silver Predator Corp.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

November 30, 2012

(Expressed in Canadian Dollars)

(Unaudited)

7. EXPLORATION AND EVALUATION ASSETS

Period ended November 30, 2012	Balance May 31, 2012	Acquisition costs incurred in year	Exploration costs incurred in year	*Dispositions and other adjustments	Balance August 31, 2012
Canada					
Plata	\$ 2,384,907	\$ -	\$ 32,767	\$ -	\$ 2,417,674
Groundhog, Cyr, Grayling, Zap	1,954,121	-	5,089	-	1,959,210
Touchdown, Pigskin, Shar	1,834,355	-	2,213	-	1,836,568
Rusty, Hy, and Flip	1,876,515	250	79,361	(12,800)	1,943,326
McBride	453,591	-	-	-	453,591
Staking and other	759,013	-	2,615	(651)	760,977
Total Canada Properties	9,262,502	250	122,045	(13,451)	9,371,346
USA					
Treasure Hill	1,583,014	3,171	36,752	(41,481)	1,581,455
Taylor	2,771,834	38,920	381,064	(18,967)	3,172,852
Illinois Creek	194,132	5,250	105,399	1,978	306,759
Pinchot	15,908	-	8,745	(4,639)	20,014
Cordero	2,224,161	7,004	9,780	(83,798)	2,157,148
Sonora Silver (formerly known as Copper King)	760,115	-	8,701	(27,643)	741,173
Cornucopia	159,577	20,382	12,416	545	192,920
Other	-	-	-	(42,047)	(37,614)
Total USA Properties	7,708,741	74,727	562,857	(216,052)	8,130,273
Mexico					
Magistral	852,961	-	-	-	852,961
Total Mexico Property	852,961	-	-	-	852,961
Total Property Costs	\$ 17,824,204	\$ 74,978	\$ 684,901	\$ (229,504)	\$ 18,354,580

*Includes the effect of foreign exchange differences

Silver Predator Corp.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

November 30, 2012

(Expressed in Canadian Dollars)

(Unaudited)

7. EXPLORATION AND EVALUATION ASSETS (Cont'd...)

Year ended May 31, 2012	Balance May 31, 2011	Acquisition costs incurred in year	Exploration costs incurred in year	*Dispositions and other adjustments	Balance May 31, 2012
Canada					
Plata	\$ 451,254	\$ 536,849	\$ 1,396,804	\$ -	\$ 2,384,907
Groundhog, Cyr, Grayling, Zap	1,810,000	2,286	141,835	-	1,954,121
Quarterback, Blue Heaven, Ranch	478,216	20,628	80,149	(578,993)	-
Touchdown, Pigskin, Shar	1,800,000	2,033	32,322	-	1,834,355
Rusty, Hy, and Flip	-	645,902	1,230,613	-	1,876,515
McBride	-	453,394	197	-	453,591
Staking and other	267,178	369,621	122,214	-	759,013
Total Canada Properties	4,806,648	2,030,713	3,004,134	(578,993)	9,262,502
USA					
Treasure Hill, Silver Bow	2,762,355	258,106	\$ 13,776	\$ (1,451,223)	\$ 1,583,014
Taylor	1,229,062	1,016,782	509,080	16,910	2,771,834
Illinois Creek	-	96,525	97,607	-	194,132
Pinchot	7,498	7,308	644	458	15,908
Cordero	-	2,224,155	6	-	2,224,161
Sonora Silver (formerly known as Copper King)	-	760,092	23	-	760,115
Cornucopia	-	159,571	6	-	159,577
Total USA Properties	3,998,915	4,522,539	621,142	(1,433,855)	7,708,741
Mexico					
Magistral	852,961	-	-	-	852,961
Total Mexico Property	852,961	-	-	-	852,961
Total Property Costs	\$ 9,658,524	\$ 6,553,252	\$ 3,625,276	\$ (2,012,848)	17,824,204

*Includes the effect of foreign exchange differences

Illinois Creek Property

In June 2011, the Company entered into an option agreement to acquire a 100% interest in certain State of Alaska mining claims known as the Illinois Creek property. As consideration for the option, the Company paid US\$25,000 and issued 25,000 common shares. To exercise the option, the Company is required to, in stages, pay an additional US\$750,000 (paid \$50,000) and issue 375,000 common shares (issued 25,000), and incur exploration expenditures of US\$3,400,000 by December 13, 2015. The property will be subject to a 2% NSR on precious metals and a 1% NSR on base metals. 1% of the 2% NSR may be purchased by the Company for US\$3,000,000.

Beginning in 2016, the Company will pay US\$100,000 per year as an advance royalty until commercial production is reached. These payments will be credited against future royalty payments.

In August 2012 the Company agreed to amend the option agreement by issuing 25,000 shares due December 31, 2012 on or before August 31, 2012 (issued), making the cash payment of \$50,000 due December 31, 2012 a firm commitment, and extending the timelines for incurring the required exploration expenditures of US\$3,400,000 by one year, to December 13, 2016.

All of the other Company's properties are as described.

Silver Predator Corp.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

November 30, 2012

(Expressed in Canadian Dollars)

(Unaudited)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities comprise the following:

	August 31, 2012	May 31, 2012
Trade payables	\$ 13,336	\$ 1,057
Accruals	179,362	206,263
	<u>\$ 192,698</u>	<u>\$ 207,320</u>

9. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common shares without par value.

b) Stock options and warrants

The Company has a Stock Option Plan to provide an incentive to its directors, officers, employees and consultants. The maximum number of shares issuable under the Stock Option Plan may not exceed 15% of the shares outstanding and the maximum number of options granted to insiders of the Company may not exceed 10% of the shares outstanding. The exercise period of the options may not exceed five years from the date of grant. Vesting and the exercise price is as determined by the Company's Board of Directors and the exercise price cannot be less than the market price of the Company's shares on the date of grant.

During the six months ended November 30, 2012, the Company recognized share-based compensation of \$129,026 (2011 - \$366,268) that was recorded in the condensed interim consolidated statement of loss. No options were granted during the six months ended November 30, 2012.

The fair value of all compensatory options granted is estimated on grant date using the Black-Scholes option pricing model. The weighted average assumptions used in calculating the fair values are as follows:

	2013	2012
Risk-free interest rate	-	2.02%
Expected life	-	5.00 years
Volatility	-	109.21%
Dividend rate	-	-

10. RELATED PARTY TRANSACTIONS

Amounts paid to related parties were incurred in the normal course of business and measured at the estimated fair values.

The Company expensed management and consulting fees of \$36,000 for the six months ended November 30, 2012 (2011 - \$36,000) due to directors of the Company.

The Company had entered into a cost sharing arrangement with a company having common directors. Under the agreement, the Company was provided with the use of office space, office and administrative resources, as well as technical services in support of exploration activities, all on a cost recovery basis. At November 30, 2012, the amount outstanding totaled \$33,650 (May 31, 2012 - \$142,530), and is non-interest bearing, due on demand, and was paid subsequent to the period end.

11. SEGMENTED INFORMATION

The Company's mineral properties are located in Canada, Mexico, and the United States as shown below:

November 30, 2012	Canada		Mexico		United States		Total
Mineral properties	\$	9,371,346	\$	852,961	\$	8,130,273	\$ 18,354,580
Loss for the six month period	\$	(548,861)	\$	(120)	\$	(5,872)	\$ (554,853)

November 30, 2011	Canada		Mexico		United States		Total
Mineral properties	\$	8,281,033	\$	852,961	\$	3,538,186	\$ 12,672,180
Loss for the six month period	\$	(1,666,740)	\$	(330)	\$	(20,173)	\$ (1,687,243)

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions for the six months ended November 30, 2012.

Significant non cash transactions for the six months ended November 30, 2011 included:

- a) The Company issued 325,000 common shares with a fair value of \$251,500 for the acquisition of exploration and evaluation assets.

13. SUBSEQUENT EVENTS

On December 12, 2012 the Company granted stock options to acquire an aggregate of 2,345,000 common shares of the Company to directors, officers, consultants and employees. The stock options were granted at a purchase price of \$0.18 per share expiring five years from the date of grant.

On December 19, 2012, the Company announced that it has given written notice of termination on two Option Agreements related to its projects, the Flip Silver Project and Hy Silver Project. The Agreements are dated March 11, 2011 and are among Strategic Metals Ltd., Silver Predator Canada Corp. and Silver Predator Corp. The Agreement terminations are effective immediately.